

## **SECTION IV: VENDOR PAYMENT**

<b>Vendor Payment</b>	<p>The Department will make payment to the Vendor upon receipt of validly transacted and redeemed WIC checks for food costs incurred in providing WIC approved foods to WIC customers.</p> <p>The Department shall deny payment, either partially or fully, to a Vendor for improperly transacted or redeemed WIC checks; or may establish a claim for payments already made on improperly transacted WIC checks; or may offset future payments for the claim.</p> <p>The Department has the right to demand refunds for charges of more than the Vendor's actual selling price and shall deny payment to the Vendor for more than the price limitations of the WIC check. The Department will provide the Vendor with an opportunity to justify or correct a claim, a demand for refund, or a denial of payment for fatal or non-fatal WIC check errors.</p>
<b>Timeframe</b>	<p>By signing the <i><b>WIC Vendor Agreement</b></i>, the Vendor agrees to submit WIC checks for payment within sixty (60) days from the "FIRST-DATE-TO-USE". The Department shall have no obligation to pay any WIC checks submitted outside of this timeframe.</p>

### **4.1 WIC Check Review**

<b>Policy</b>	<p>Prior to deposit, Vendors must review all WIC checks for possible errors prior to submitting them for payment. By doing so, errors may be detected and possibly corrected. Checks with errors will be rejected by the banking contractor. The Vendor may incur banking charges for these. The Department cannot reimburse the Vendors for such charges.</p>
<b>What to Review</b>	<p>WIC checks should be reviewed for completeness, legibility, dates and the WIC customer signature. The register receipt should also be reviewed to ensure that the correct foods have been provided.</p>

## **4.2 Correcting Errors**

<b>Policy</b>	In some cases, Vendors may correct errors detected after the WIC transaction has been completed. Regardless of the error, <b>NEVER FALSIFY A REGISTER RECEIPT OR WIC CUSTOMER SIGNATURE.</b> This is considered FRAUD.
<b>Incorrect, Excessive or Unissued Food Items</b>	<p>When the Vendor finds a non-WIC approved food item, a quantity of a WIC approved food item that is in excess of what was prescribed, or redemption of a food item that was not prescribed, the WIC check may be corrected using the following steps:</p> <ol style="list-style-type: none"><li>1. On the original register receipt:<ol style="list-style-type: none"><li>a. Circle the food item.</li><li>b. Mark through receipt total, with one (1) line, so that it is still legible.</li><li>c. Subtract the amount of the error from the original total.</li><li>d. Write the corrected total redeemed amount under the lined-out original.</li><li>e. Initial the change.</li></ol></li><li>2. On the WIC check:<ol style="list-style-type: none"><li>a. Mark through the “PAY EXACTLY AMOUNT”, with one line, so that it is still legible.</li><li>b. Write the corrected amount above the lined-out original.</li><li>c. Initial the change.</li></ol></li></ol>
<b>Missing Signature</b>	If a Vendor fails to get the WIC customer’s signature, the WIC check will not be paid. You may contact the Local WIC provider to have them contact the WIC customer to see if they will return to sign the check. If this is not possible or the WIC customer does not return, the Vendor will not be paid for this check.
<b>Illegible Vendor Numbers</b>	If a WIC check is returned to the store because the banking system could not read the Vendor’s four (4) digit ID number, the Vendor can restamp their Vendor ID number on the left side of the check image and redeposit the WIC check.
<b>Follow-up</b>	In addition to correcting errors on paper, it is critical that immediate follow-up training be completed with store personnel. Follow-up training with the cashier and/or other store personnel involved in the transaction must be done to prevent future occurrences, thus saving the Vendor money and protecting the Vendor's record with the Department.

## **4.3 Payment Inquiry and Reconsideration Requests**

### **Inquiries**

All payment inquiries regarding specific WIC checks must be submitted in writing by mail. Telephone inquiries of this type will not be researched. Telephone requests for general information are welcomed. The Department is building a list of frequently asked questions on the WIC program's website home page located at <http://www.dhss.mo.gov/wic.html>

### **Approval Request For Non-Paid WIC Checks Form**

For Vendors who believe a payment denial has been made incorrectly, or believe there is a justifiable reason why payment should be made, the Department may consider payment approval with valid justification. A Vendor must submit a written payment reconsideration request to the Department within ninety (90) days of the "FIRST-DATE-TO-USE" printed on the check. Remember to always keep a photocopy of all items being mailed, including the front and back of the check (See Appendix F).

#### **Reconsideration requests must include:**

1. Vendor stamp number, date mailed, check number, complete store name with address, contact name and a phone number.
2. A brief explanation on the form describing the circumstances, the reason why payment should be reconsidered, and what steps have been taken to prevent problem(s) in the future. One completed form must be prepared for each check approval requested.
3. The original check with the denial/rejection stamp and the original receipt for the transaction and copy of the invoice must be included.
4. A corrective action plan demonstrating to the Department how the problem(s) will be prevented in the future.

### **Approval/Denial**

Consideration will be given to the documentation submitted. Incomplete appeal forms or appeals that do not include the check and the receipt will be denied.

- If the appeal is approved, the WIC program will place an "Approved – Re-deposit" stamp on the face of the WIC check and return it to the Vendor for re-deposit.
- If the appeal is denied, the WIC program will place a "Denied. Do Not Re-deposit" stamp on the face of the WIC check and return it to the Vendor.

### **WIC Banking Contractor**

The WIC program's banking contractor will return improperly transacted or redeemed WIC checks to the store's bank. WIC check errors are sorted into two types, non-fatal and fatal. Non-fatal errors may be corrected on the first rejection and re-deposited by the store. Fatal errors must be corrected and appealed directly to the WIC program on the appropriate form before they are re-deposited. When a WIC check is returned to the store it will have at least one (1) error stamped on it.

## **4.4 Non-Fatal Errors**

### **Non-Fatal Reject Reasons**

WIC Checks that are returned for the following reasons may be corrected by the Vendor and re-deposited, as long as it is not more than sixty (60) days from the “First-Date-To-Use” printed on the check:

1. DOLLAR AMOUNT MISSING
  - Vendor should correct and re-deposit. The WIC program cannot correct this.
2. MISSING/ILLEGIBLE VENDOR NUMBER
  - WIC checks without a WIC Vendor stamp number or with an illegible WIC Vendor stamp number. Vendor should stamp their WIC Vendor stamp number on the left of the check image and re-deposit.
3. OVER CHECK LIMIT
  - **WIC checks redeemed for more than the “MAXIMUM PURCHASE PRICE-MUST NOT EXCEED”.** Vendor should decrease the total sale amount below the Maximum Purchase Price Must Not Exceed amount and re-deposit the check.

## **4.5 Fatal Errors**

### **Fatal Reject Reasons**

A WIC check has a fatal error if it is returned with a “Do Not Re-Deposit” stamp. In the case where the Vendor knows that a WIC check was improperly redeemed, but there are extenuating circumstances, the Vendor may send the check to the Missouri WIC office in Jefferson City, on the Approval Request for Non-Paid WIC Checks form (WIC-77). It must include the WIC check and original receipt. This procedure is for the extremely rare situation where there is a valid reason that the check was taken. This is not a guarantee that the check will be approved (See Appendix F for the form).

Reasons for fatal errors:

1. DATE TRANSACTED NOT WITHIN VALID DATES
  - WIC checks accepted before the “FIRST-DATE-TO-USE”, accepted after the “LAST-DATE-TO-USE”, or checks with no transaction date written on them.
2. ALTERED – DO NOT RE-DEPOSIT
  - WIC checks with an obvious alteration to the food prescription, amount, “First-Date-to-Use” or “Last-Date-to-Use”.
3. MISSING SIGNATURE – DO NOT RE-DEPOSIT
  - WIC checks with no participant or proxy signature present.

4. PREVIOUSLY PRESENTED – DO NOT RE-DEPOSIT
  - The WIC check has already been presented and fatally rejected.
5. LATE DEPOSIT – DO NOT RE-DEPOSIT
  - WIC checks the Vendor deposited that are more than sixty (60) days from the “FIRST-DATE-TO-USE”.
6. STOP PAYMENT – DO NOT RE-DEPOSIT
  - The WIC check has been marked as “Stop Pay”.
7. INVALID VENDOR NUMBER
  - WIC checks where the vendor identification number is invalid.

**WIC Checks  
Submitted  
Twice**

If checks are presented for payment (deposited), twice without being properly corrected (where permitted), or without an approval stamp from the WIC program on the second presentment, no further appeal will be permitted. This complies with the Federal Reserve’s banking regulations. **The WIC program cannot change this rule.**

**Banking Fees**

Many financial institutions charge their customers for items that are returned and charged back to the accounts. If your bank assesses a charge for this, it is between you and your bank. The *WIC Vendor Agreement* states that you will assure that each WIC check:

1. Is signed.
2. Is redeemed in the proper timeframe.
3. Does not exceed the “MAXIMUM PURCHASE PRICE” printed on the check.

**The Department of Health and Senior Services, WIC and Nutrition Services is not responsible for any bank charges, returned checks or other fees charged to the vendor that result from the non-payment of WIC checks. Vendors may not recover any bank charges from the Missouri WIC program, or from WIC participants or their proxies.**

**Returned  
WIC Checks**

Vendors should notify their bank that rejected WIC checks must be returned to the store without delay for possible correction. If the bank does not do this and automatically re-deposits rejected checks they will be rejected again.

**Additional  
Vendor  
Information**

Vendors may not seek reimbursement of money or return of food from WIC participants for any rejected check.

The Missouri WIC program cannot pay for WIC checks from other states. Banking regulations prohibit a third presentment for payment through the clearing bank.

The Missouri WIC program has the right to modify payment, to assess a claim, or to charge a fine for WIC checks transacted for unauthorized foods, other items, or with sales tax charged.

The Missouri WIC program may deny payment to the Vendor for improperly redeemed checks or may require refunds for payments already made on improperly redeemed checks.

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End of Section IV: Vendor Payment